the Supreme Court on excise which is likely to hit the resin industry, and

(b) if so, the steps taken by Government to come to the rescue of this industry?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) No Sir. Government is not aware of any ruling of Hon'ble Supreme Court given in April, 94 on excise which is likely to affect the resin industry.

(b) Does not arise.

Modifications in classifications of Income and Assets

2709. SHRI K.M. KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether some modifications to the prudential guidelines relating to income recognition, asset classification etc. have been made;

(b) if so, the details thereof with circumstances leading to such modifications;

(c) whether these modifications will help the general public in some way; and

(d) if so, the details thereof and if not, the reasons for such modifications?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) From the accounting year beginning 1st April, 1992 banks were permitted to phase out provisioning requirements over the next two years. They were required to make 100 percent provision for loss assets and not less then 50 percent of total provisioning in respect of substandard and doubtful assets. The objective was that the banks should achieve capital adequacy of 4 percent by 31st March, 1994 and 8 percent by 31 March, 1996 except in the case of public sector banks with overseas operations which were required to achieve capital adequacy of 8 percent by 31st March, 1995.

(c) and (d) Modifications to the prudential guidelines will strengthen the asset base of the public sector banks and present a true and fair picture of the actual income of the banks in the balance sheet and profit and loss account enhancing the confidence of the gereral public in these banks.

Defaulters of Bank Loans

2710. DR. MURLI MANOHAR JOSHI:
SHRI TRILOKI NATH CHATURVEDI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of quantum of wilful defaults of bank loans as stated in the Editorial of Finanical Express of April 30, 1994 and if so, the estimated amount and the steps being taken to check this practice; and

(b) whether it is a fact that the RBI has suggested that a list of defaulters above Rs. one crore may be made public; if so, what are the details thereof and what steps have been taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) Reserve Bank of India (RBI) has intimated that it is not aware of the quantum of wilful defaults of bank loans as the present system of data collection does not generate such information.

(b) RBI has intimated that it has prepared a scheme to collect and disseminate information on defaulters and suit filed accounts. Instructions in this regard have been issued by RBI to Chairmen/Chief Executive Officers of scheduled commercial banks and financial institutions on 23rd April, 1994.